



General Assembly

Amendment

January Session, 2015

LCO No. 7366



Offered by:

REP. SHARKEY, 88th Dist.

REP. MILLER, 36th Dist.

REP. D'AGOSTINO, 91st Dist.

To: Subst. House Bill No. **6965**

File No. 666

Cal. No. 446

"AN ACT CONCERNING THE PRESERVATION OF MUNICIPAL TAX BASES."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective from passage and applicable to assessment*
4 *years commencing on and after October 1, 2015*) (a) Notwithstanding any
5 provision of the general statutes, except subdivision (8) of section 12-81
6 of the general statutes, and notwithstanding any special act or any
7 municipal charter, any property, real or personal, except for property
8 that was taxable by a municipality on or before January 1, 2009, that is
9 held by or on behalf of the following entities, as defined or described
10 in section 12-20a of the general statutes, as amended by this act, shall
11 be taxable by a municipality in accordance with the provisions of
12 chapters 201, 203 and 204 of the general statutes: (1) A nonprofit
13 general hospital facility, or (2) a freestanding chronic disease hospital.

14 (b) Notwithstanding any provision of the general statutes, any
15 special act or any municipal charter, any residential real property,
16 excluding a dormitory, intended for use or used as student housing,
17 that is held by or on behalf of a private nonprofit institution of higher
18 learning, as defined in section 12-20a of the general statutes, as
19 amended by this act, shall be taxable by a municipality in accordance
20 with the provisions of chapters 201, 203 and 204 of the general statutes.
21 For purposes of this subsection: (1) "Residential real property" means a
22 building containing one or more dwelling units, as defined in section
23 7-148hh of the general statutes, and (2) "dormitory" means any
24 building with twenty or more dwelling units intended for use or used
25 as student housing by a private nonprofit institution of higher
26 learning, as defined in section 12-20a of the general statutes, as
27 amended by this act.

28 Sec. 2. Subsection (a) of section 12-20a of the general statutes is
29 repealed and the following is substituted in lieu thereof (*Effective from*
30 *passage*):

31 (a) [On] Until the fiscal year commencing July 1, 2017, on or before
32 January first, annually, the Secretary of the Office of Policy and
33 Management shall determine the amount due to each municipality in
34 the state, in accordance with this section, as a state grant in lieu of
35 taxes with respect to real property owned by any private nonprofit
36 institution of higher learning or any nonprofit general hospital facility
37 or freestanding chronic disease hospital or an urgent care facility that
38 operates for at least twelve hours a day and that had been the location
39 of a nonprofit general hospital for at least a portion of calendar year
40 1996 to receive payments in lieu of taxes for such property, exclusive of
41 any such facility operated by the federal government, except a campus
42 of the United States Department of Veterans Affairs Connecticut
43 Healthcare Systems, or the state of Connecticut or any subdivision
44 thereof. As used in this section "private nonprofit institution of higher
45 learning" means any such institution, as defined in subsection (a) of
46 section 10a-34, or any independent institution of higher education, as

47 defined in subsection (a) of section 10a-173, that is engaged primarily
48 in education beyond the high school level, and offers courses of
49 instruction for which college or university-level credit may be given or
50 may be received by transfer, the property of which is exempt from
51 property tax under any of the subdivisions of section 12-81, as
52 amended by this act; "nonprofit general hospital facility" means any
53 such facility that is used primarily for the purpose of general medical
54 care and treatment, exclusive of any hospital facility used primarily for
55 the care and treatment of special types of disease or physical or mental
56 conditions; and "freestanding chronic disease hospital" means a facility
57 that provides for the care and treatment of chronic diseases, excluding
58 any such facility having an ownership affiliation with and operated in
59 the same location as a chronic and convalescent nursing home.

60 Sec. 3. Subdivision (7) of section 12-81 of the general statutes is
61 repealed and the following is substituted in lieu thereof (*Effective*
62 *October 1, 2015, and applicable to assessment years commencing on or after*
63 *October 1, 2015*):

64 (7) (A) Subject to the provisions of sections 12-87 and 12-88 and
65 section 1 of this act, the real property of, or held in trust for, a
66 corporation organized exclusively for scientific, educational, literary,
67 historical or charitable purposes or for two or more such purposes and
68 used exclusively for carrying out one or more of such purposes or for
69 the purpose of preserving open space land, as defined in section 12-
70 107b, for any of the uses specified in said section, that is owned by any
71 such corporation, and the personal property of, or held in trust for, any
72 such corporation, provided (i) any officer, member or employee
73 thereof does not receive or at any future time shall not receive any
74 pecuniary profit from the operations thereof, except reasonable
75 compensation for services in effecting one or more of such purposes or
76 as proper beneficiary of its strictly charitable purposes, and (ii) in 1965,
77 and quadrennially thereafter, a statement shall be filed on or before the
78 first day of November with the assessor or board of assessors of any
79 town, consolidated town and city or consolidated town and borough,

80 in which any of its property claimed to be exempt is situated. Such
81 statement shall be filed on a form provided by such assessor or board
82 of assessors. The real property shall be eligible for the exemption
83 regardless of whether it is used by another corporation organized
84 exclusively for scientific, educational, literary, historical or charitable
85 purposes or for two or more such purposes;

86 (B) On and after July 1, 1967, housing subsidized, in whole or in
87 part, by federal, state or local government and housing for persons or
88 families of low and moderate income shall not constitute a charitable
89 purpose under this section. As used in this subdivision, "housing" shall
90 not include real property used for temporary housing belonging to, or
91 held in trust for, any corporation organized exclusively for charitable
92 purposes and exempt from taxation for federal income tax purposes,
93 the primary use of which property is one or more of the following: (i)
94 An orphanage; (ii) a drug or alcohol treatment or rehabilitation facility;
95 (iii) housing for homeless individuals, mentally or physically
96 handicapped individuals or persons with intellectual disability, or for
97 victims of domestic violence; (iv) housing for ex-offenders or for
98 individuals participating in a program sponsored by the state
99 Department of Correction or Judicial Branch; and (v) short-term
100 housing operated by a charitable organization where the average
101 length of stay is less than six months. The operation of such housing,
102 including the receipt of any rental payments, by such charitable
103 organization shall be deemed to be an exclusively charitable purpose;

104 Sec. 4. Subdivision (16) of section 12-81 of the general statutes is
105 repealed and the following is substituted in lieu thereof (*Effective*
106 *October 1, 2015, and applicable to assessment years commencing on or after*
107 *October 1, 2015*):

108 (16) Subject to the provisions of section 12-88 and section 1 of this
109 act, all property of, or held in trust for, any Connecticut hospital
110 society or corporation or sanatorium, provided (A) no officer, member
111 or employee thereof receives or, at any future time, shall receive any
112 pecuniary profit from the operations thereof, except reasonable

113 compensation for services in the conduct of its affairs, and (B) in 1967,
 114 and quadrennially thereafter, a statement shall be filed by such
 115 hospital society, corporation or sanatorium on or before the first day of
 116 November with the assessor or board of assessors of any town,
 117 consolidated town and city or consolidated town and borough, in
 118 which any of its property claimed to be exempt is situated. Such
 119 statement shall be filed on a form provided by such assessor or board
 120 of assessors;"

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage and applicable to assessment years commencing on and after October 1, 2015</i>	New section
Sec. 2	<i>from passage</i>	12-20a(a)
Sec. 3	<i>October 1, 2015, and applicable to assessment years commencing on or after October 1, 2015</i>	12-81(7)
Sec. 4	<i>October 1, 2015, and applicable to assessment years commencing on or after October 1, 2015</i>	12-81(16)